

Message Text

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PAGE 01 STATE 067098
ORIGIN ARA-10

INFO OCT-01 IO-13 ISO-00 CIAE-00 DODE-00 PM-04 H-01
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02
SS-15 USIA-06 SAB-02 TRSE-00 AID-05 /076 R

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FM SECSTATE WASHDC
TO AMEMBASSY PANAMA PRIORITY
INFO USMISSION USUN NY PRIORITY
PANCANAL
USCINCSO PRIORITY

C O N F I D E N T I A L STATE 067098

E.O. 11652:GDS

TAGS: PFOR, PN

SUBJECT:U.S.-PANAMA TREATY NEGOTIATIONS: WEEKLY ACTIVITIES
REPORT - MARCH 18-24

1. LA BRIEFING TRIP. AMBASSADORS BUNKER AND LINOWITZ
DEPARTED WASHINGTON MARCH 23 FOR CARACAS AND BOGOTA WHERE
APPOINTMENTS TO BRIEF PRESIDENTS PEREZ AND LOPEZ-MICHELSON
WERE CONFIRMED FOR MARCH 24 AND 25. PANAMA WAS INFORMED
MARCH 15 THAT THE BRIEFINGS WOULD BE TO PROVIDE THE LATIN
AMERICAN PRESIDENTS WITH THE U.S. PERSPECTIVE OF THE NEGOTIATIONS
AND OFFERED NO OBJECTIONS AT THAT TIME. NEVERTHELESS,
EMBASSY REPORTING INDICATES THAT PANAMANIAN PRESS
ITEMS ARE CRITICAL OF THE TRIP.

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2. TECHNICAL MEETINGS. AT THE INVITATION OF THE U.S. SIDE,
A TECHNICAL GROUP FROM PANAMA WILL BE IN WASHINGTON DURING
THE WEEK OF MARCH 28 FOR A DISCUSSION OF THE FUNCTIONS
WHICH THE CANAL ADMINISTRATIVE ENTITY WILL PERFORM UNDER A
NEW TREATY. THE PANAMANIAN TEAM WILL BE HEADED BY ARCHITECT
EDWIN FABREGA.

3. SUIT TO STOP NEGOTIATIONS DISMISSED. THE SUIT OF HELMS ET AL. V. VANCE ET AL. FILED BY SIX MEMBERS OF CONGRESS AGAINST THE PANAMA CANAL NEGOTIATIONS WAS DISMISSED BY THE

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLOMBIA ON MARCH 23. IN HIS MEMORANDUM OPINION AND ORDER, JUDGE FLANNERY GRANTED OUR MOTION TO DISMISS ON THREE GROUNDS: THAT THE SUIT INVOLVED A POLITICAL QUESTION; THAT THE PLAINTIFFS LACKED STANDING TO BRING THE ACTION; AND THAT THE SUIT WAS NOT RIPE FOR DECISION.

ON FEBRUARY 28, JUDGE FLANNERY DENIED FROM THE BENCH THE PLAINTIFFS MOTION FOR A TEMPORARY INJUNCTION. THE PLAINTIFFS ALREADY HAVE APPEALED THE DENIAL OF THAT MOTION. WE ANTICIPATE THAT THEY WILL APPEAL THE DISMISSAL OF THE SUIT AS WELL.

4. INTERAGENCY WORKING GROUP ON ECONOMIC ARRANGEMENTS. AT AMBASSADOR BUNKER'S REQUEST REPRESENTATIVES FROM OMB, TREASURY, DEFENSE, A.I.D., AND STATE WILL PARTICIPATE IN AN INTERAGENCY WORKING GROUP TO CONSIDER THE ISSUE OF APPROPRIATE ECONOMIC ARRANGEMENTS UNDER A NEW TREATY. THE GROUP IS EXPECTED TO PREPARE AN OPTIONS PAPER AND RECOMMENDATIONS TO THE U.S. NEGOTIATORS. SUBSEQUENTLY A UNITED STATES POSITION PAPER WOULD NEED TO BE PREPARED AND CLEARED FOR USE BY THE NEGOTIATORS WITH PANAMA. INITIAL MEETINGS OF THE WORKING GROUP WILL BE HELD NEXT WEEK.

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PAGE 03 STATE 067098

5. PANAMANIAN PUBLIC RELATIONS EFFORT. WASHINGTON POST CARRIED ARTICLE BY OBERDORFER ON MARCH 24 STATING THAT PANAMA HAD SIGNED A CONTRACT WITH A U.S. FIRM CALLED PUBLIC AFFAIRS ANALYSTS TO PLAN AND EXECUTE A NATIONWIDE PUBLIC RELATIONS DRIVE BACKING A NEW CANAL TREATY. THE ARTICLE ALSO OUTLINES EFFORTS BY THE COUNCIL OF THE AMERICAS IN SUPPORT OF A TREATY AS WELL AS ACTIVITIES BY A NUMBER OF THE ANTI-TREATY GROUPS. FINALLY, ARTICLE STATES THAT PRESIDENT CARTER HAS COMMITTED HIMSELF IN PRIVATE TO A MAJOR DRIVE BACKING THE NEW TREATY, INCLUDING A TELEVISED "FIRESIDE CHAT" DEVOTED TO THE ISSUE.

GOP'S REPORTED WILLINGNESS TO ALLOCATE UP TO DOLS 200,000 FOR THE PUBLIC RELATIONS EFFORT APPEARS TO BE A STRONG INDICATION OF OPTIMISM REGARDING THE NEGOTIATIONS.

6. CANAL RESOLUTION AT THE UN WATER CONFERENCE AT MAR DEL PLATA, ARGENTINA. AS EXPECTED, PANAMA CONTINUED ITS GENERAL PRACTICE OF INTRODUCING THE CANAL ISSUE IN

EXTRANEUS FORA, IN THIS CASE A WATER CONFERENCE TO DISCUSS TECHNICAL QUESTIONS ON THE AVAILABILITY OF CLEAN WATER. A RESOLUTION COSPONSORED BY MOST OF THE REST OF THE HEMISPHERE CLAIMED THAT THE CANAL ZONE WAS AN IMPEDI-

MENT TO PANAMA'S FULL DEVELOPMENT OF ITS WATER RESOURCES AND EXPRESSED THE HOPE THAT A NEW TREATY WOULD BE CONCLUDED AT THE EARLIEST POSSIBLE TIME. NO VOTE WAS TAKEN ON THE RESOLUTION, BUT THE U.S. DELEGATION FOLLOWING DEPARTMENT INSTRUCTIONS CONCURRED IN AN INFORMAL CONSENSUS AND MADE A STATEMENT INTERPRETING THE RESOLUTION AS BEING IN ACCORD WITH THE 1974 JOINT STATEMENT OF PRINCIPLES AND NOTING THAT THE WATER CONFERENCE WAS AN INAPPROPRIATE FORUM TO DISCUSS THE BILATERAL ISSUE OF THE CANAL NEGOTIATIONS. OTHER DELEGATIONS FELT OUR STATEMENT WAS A WISE, BUSINESS-LIKE WAY TO HANDLE A POLITICAL SUBJECT WHICH HAD NO PLACE IN A TECHNICAL CONFERENCE.
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PAGE 04 STATE 067098

7. CONGRESSIONAL ITEMS. AFTER CODEL YATRON'S MARCH 18-20 VISIT TO PANAMA, THIS EIGHT-MAN GROUP (MOSTLY FROM HOUSE INTERNATIONAL RELATIONS COMMITTEE) EXPRESSED GREATER UNDERSTANDING OF CANAL PROBLEM BUT SAW GREAT DIFFICULTY IN WINNING PUBLIC SUPPORT FOR NEW TREATY.

THREE TO FIVE MEMBERS OF HOUSE PANAMA CANAL SUBCOMMITTEE (REP. METCALFE, CHAIRMAN) ARE PLANNING AN APRIL 11-14 TRIP TO PANAMA, PRINCIPALLY TO CONDUCT HEARINGS IN ZONE ON EMPLOYEE PROBLEMS AS PART OF ANNUAL CYCLE OF OVERSIGHT HEARINGS. CODEL METCALFE WILL BE TRAVELLING UNDER ARMY/PANCANAL AUSPICES BUT MAY REQUEST EMBASSY BRIEFING AND A LIMITED PROGRAM IN PANAMA, INCLUDING CALLS ON GOP OFFICIALS.
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INFO OCT-01 ISO-00 /011 R

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AMEMBASSY SAN JOSE

AMEMBASSY CARACAS

AMEMBASSY BOGOTA

C O N F I D E N T I A L STATE 067098

FOLLOWING REPEAT STATE 67098 ACTION PANAMA INFO USUN NY

PANCANAL USCINCSO MAR 25, 1977

QTE C O N F I D E N T I A L STATE 067098

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Message Attributes

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